



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 29, 1999

S. 937

Maritime Administration Authorization Act for Fiscal Year 2000

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on June 24, 1999*

SUMMARY

Assuming appropriation of the amounts authorized by S. 937, CBO estimates that the federal government would spend about \$80 million, mostly over the next year, to carry out ongoing maritime programs. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 937 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

S. 937 would authorize the appropriation of \$80 million for operation and training activities of the Maritime Administration (MARAD) during fiscal year 2000. The bill also would authorize \$10 million for fiscal year 2000 loan guarantees and related administrative expenses, as already authorized under the Merchant Marine Act of 1936. Section 9 of the bill would direct MARAD to conduct a study of maritime research and development. The study would examine, among other funding issues, the relative amount of federal funding historically provided to maritime programs as compared to those of other modes of transportation. For the purpose of carrying out this study over the next nine months, the bill would authorize the appropriation of \$100,000. Other bill provisions would have no significant effect on the federal budget. These include an amendment to the Shipping Act of 1936 that would ensure that escrow funds paid by recipients of certain federally guaranteed loans would be deposited into the U.S. Treasury.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of the bill is shown in the following table. The costs of this legislation fall within budget function 400 (transportation). For the purposes of this estimate, CBO assumes that the entire amount authorized for MARAD operation and training activities for fiscal year 2000 will be appropriated for that year. The estimate of outlays is based on

historical spending patterns for MARAD. Because appropriations for maritime loan guarantees and related administrative costs are already authorized under existing law, the budgetary effects of S. 937 would be limited to the \$80 million of authorized expenditures for MARAD operations and training programs.

	By Fiscal Year, in Millions of Dollars					
	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
MARAD Spending Under Current Law						
Budget Authority ^a	72	0	0	0	0	0
Estimated Outlays	80	12	4	0	0	0
Proposed Changes						
Authorization Level ^b	0	80	0	0	0	0
Estimated Outlays	0	68	8	4	0	0
MARAD Spending Under S. 937						
Authorization Level ^a	72	80	0	0	0	0
Estimated Outlays	80	80	12	4	0	0

a. The 1999 level is the amount appropriated for that year.

b. No amounts are included as proposed changes for loan guarantee subsidies or administrative costs because those amounts are already authorized under current law.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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